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### Customer Satisfaction Index of Singapore 2012: Full Year Overview

Institute of Service Excellence, SMU

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# CUSTOMER SATISFACTION INDEX OF SINGAPORE 2012

## RESULTS OVERVIEW



INSTITUTE OF  
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## CSISG 2012 FULL YEAR OVERVIEW

The Customer Satisfaction Index of Singapore (CSISG) computes customer satisfaction scores at the national, sector, sub-sector, and company levels. The CSISG serves as a quantitative benchmark of the quality of goods and services produced by the Singapore economy over time and across countries. Singapore's performance in the CSISG relative to a select group of countries that deploy the same or similar methodologies, are shown in Figure A for reference.

This results overview concludes the scores of CSISG 2012 that comprises nine services sectors.

## FULL YEAR RESULTS HIGHLIGHTS

The national satisfaction index rose to 69.9-points (on a 0 to 100 scale), a significant\* 0.88-point (+1.3%) increase from 2011. This is the second year running the index has shown a significant improvement and represents a record high since the CSISG started tracking Singapore's customer satisfaction levels in 2007. In 2011, the CSISG rose 69.1 from 67.2 in previous year.

As illustrated in Figure B, three of the nine measured industry sectors registered significant improvements year-on-year. These were, in order of improvement, the Healthcare, Finance & Insurance, and Info-communications sectors, respectively. Customer satisfaction fell in five industry sectors, namely Private Education, Tourism, Public Education, Transport & Logistics, and Retail, in order of severity. There was no significant change from the previous year for the Food & Beverage sector.

Several companies among the 110 companies measured had also significantly outperformed the national average and their strong performance is a worthy highlight. They are grouped by their industry sectors as indicated in Figure C.

Education	F&B	Finance & Insurance	Healthcare	Retail	Tourism	Transport & Logistics
Ngee Ann Polytechnic	Tung Lok	Chartis General Insurance	Alexandra Hospital	CK Tang	Grand Hyatt	Cathay Pacific Airways
Temasek Polytechnic		Citibank	Gleneagles Hospital	DFS	Marina Bay Sands	Changi Airport
		Great Eastern Life	Khoo Teck Puat Hospital	Takashimaya	Meritus Mandarin	Emirates
		HSBC	Mount Elizabeth Hospital		Night Safari	DHL
		Standard Chartered	Parkway East		The Ritz Carlton	FedEx
			Raffles Hospital		Sentosa	Qantas Airlines
			Tan Tock Seng Hospital		Shangri-La	Singapore Airlines
			Thomson Medical Centre		Swissotel the Stamford	SingPost
					Universal Studios	

Figure C: The list of companies that performed significantly better than the national average.

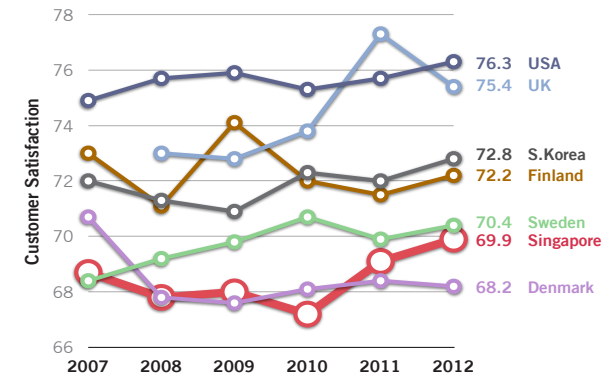


Figure A: Singapore's performance in the CSISG relative to a few other countries that deployed same and similar measures.

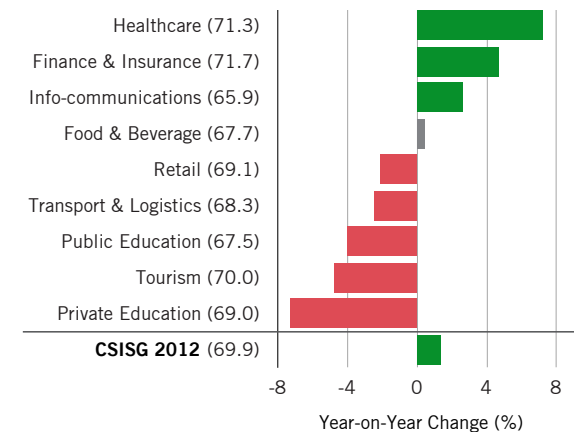


Figure B: CSISG 2012 Sector scores and year-on-year changes.

\*Statistical significance for the CSISG study is measured at a confidence interval of 90%.

## FOURTH QUARTER RESULTS HIGHLIGHTS

CSISG 2012's improvement was contributed in part to the significant gains in the Finance & Insurance and Healthcare sectors, as measured between October to December of the year. The Finance & Insurance sector scored 71.7-points, a significant 3.19-point (+4.7%) increase from the previous year. The Healthcare sector scored 71.3-points, a significant 4.80-point (+7.2%) year-on-year improvement.

Within the Finance & Insurance sector, three of the four sub-sectors recorded significant improvements in customer satisfaction, as shown in Figure D. The Banks, Life Insurance, and Motor or Other Personal Insurance sub-sectors drove the sector's strong performance. These three sub-sectors scored 71.8-points (+2.71-points/+3.9%), 70.6-points (+3.87-points/+5.8%), and 69.8-points (+2.53-points/+3.8%), respectively. The Health & Medical Insurance sub-sector scored 67.8-points (+0.47-points/+0.7%), though the changes here were not significant from 2011.

In the Life and Health & Medical Insurance sub-sectors, Great Eastern scored significantly above the respective sub-sector averages. NTUC Income out-performed the sub-sector average in the Health & Medical Insurance sub-sector.

Amongst the banks that were measured in CSISG 2012, Citibank, HSBC and Standard Chartered Bank are three qualifying full banks (QFBs) that outperformed the Banks sub-sector average.

As for the Healthcare sector, all five sub-sectors showed improvements from 2011, as shown in Figure E. They were led by the Specialised Healthcare sub-sector which improved by 5.54-points (+8.3%) to 72.0-points. Specialised Healthcare consists of various specialised healthcare providers, including dentists and traditional Chinese medicine clinics. Significant improvements were also recorded in Polyclinics (66.6-points, +4.48-points/+7.2%), Restructured Hospitals (70.5-points, +4.40-points/+6.7%), Private Hospitals (72.7-points, +3.77-points/+5.5%), and General Practitioners (70.1-points, +3.03-points/+4.5%).

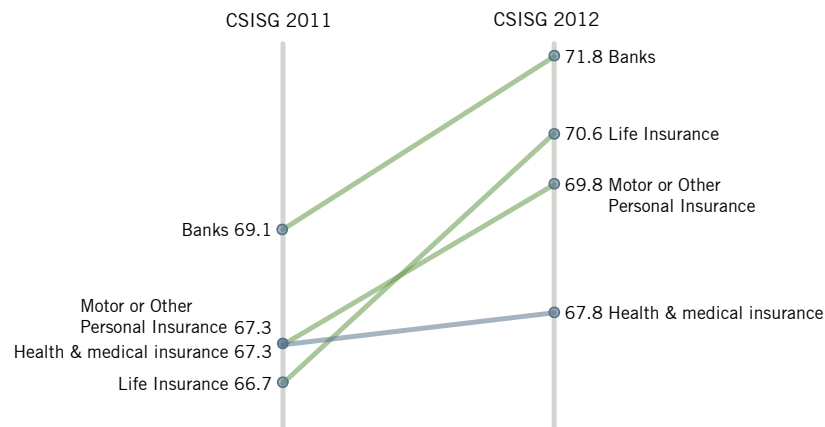


Figure D: Three of the four Finance & Insurance sub-sectors improved significantly from last year.

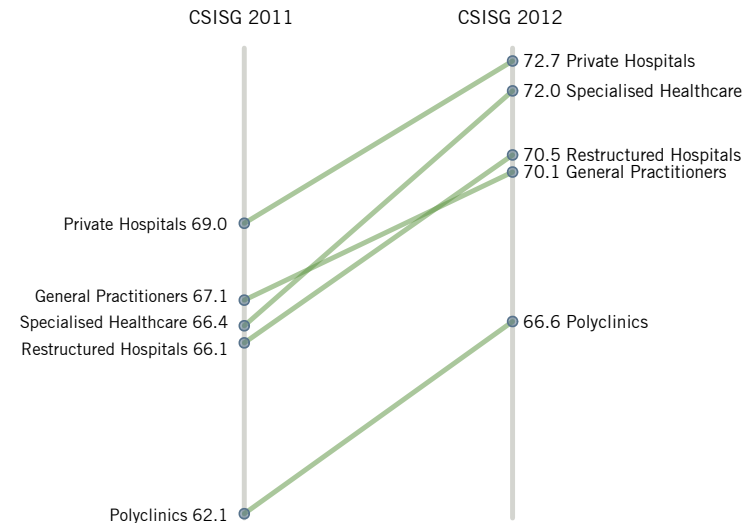


Figure E: All five Healthcare Sub-sectors improved significantly from a year earlier.

## FOURTH QUARTER KEY FINDINGS

### CUSTOMER SEGMENTS VARY ACROSS BANKS

Within the Banks sub-sector, each respondent answered about the bank with whom they maintain an active current or savings account. Comparing across respondents of each bank, the satisfaction drivers and the degree of impact differ. This suggests differences in customer psychographic profile and implies the need for customised strategy to drive customer satisfaction and retention.

Customers are not homogeneous and trying to deliver high quality service to a multitude of customer segments can be costly when executed poorly. Companies can do well when they concentrate efforts in targeting and satisfying the customer profiles and segments that fit their business models. This strategy will also prompt customer segments that do not fit its targeted segments to migrate away. The net effect can be a more satisfied and loyal customer base.

Noticeably, customer loyalty, which was another metric measured in the CSISG study, registered significant year-on-year improvements in all four QFBs measured this year.

### IMPACT OF TOUCHPOINTS ON PERCEIVED QUALITY

Patients of Polyclinics were asked to rate their satisfaction with various touchpoints. Statistical analysis of these evaluation found that touchpoints such as appointment booking, registration processes, and payment processes, matter to patients' perception of quality.

Within the Restructured Hospitals sub-sector, patients' satisfaction with administrative staff had a significant impact on their perception of quality, although not more so than doctors and nurses.

## FULL YEAR KEY FINDINGS

### ORGANISATIONS BETTER ABLE TO MEET CUSTOMER EXPECTATIONS

For quarter 4 of 2012, it was observed in all five Healthcare sub-sectors and all four Finance & Insurance sub-sectors that respondents considered that these organisations were significantly better able to meet their expectations this year, compared to the previous year.

Analyses of the Customer Expectations and Perceived Quality drivers show customers felt that their perceptions of quality this year matched or exceeded their expectations, i.e., there was a positive gap between Perceived Quality vis-à-vis Expected Quality, as seen in Figure F. This is in contrast to 2011, where perceptions of quality were lagging expectations of quality (with the exception of the Private Hospitals sub-sector).

This finding implies that improving customer satisfaction need a combination of shaping customer expectations and delivering on the brand promise. This is observed in the Restructured Hospitals, Specialised Healthcare, and Motor or Other Personal insurance sub-sectors. The gap between perceptions and expectations of quality of these sub-sectors narrowed.

Conversely, in the CSISG 2012 Q3 data, companies that delivered short of expectations were penalised with lower overall satisfaction scores than their counterparts that met or exceeded expectations.

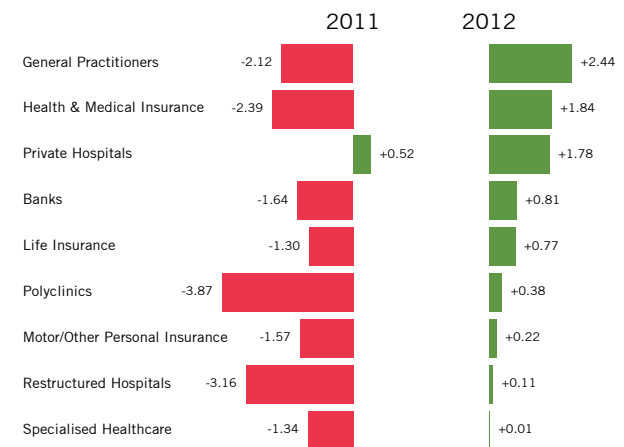


Figure F: All measured 2012 Q4 sub-sectors had a positive gap between the perceptions of quality vis-a-vis expectations.

## RELATIVE IMPACT OF TOUCHPOINTS ON PERCEIVED QUALITY

Using statistical analysis, the results from the CSISG study such as those in the Polyclinics sub-sector (as described above) provide evidence for the relative impact of satisfaction with touchpoints on perceptions of quality. The varying importance of touchpoints was also highlighted in the Food & Beverage, Public Buses, and MRT sub-sectors in previously measured quarters of 2012.

These results are derived importance using statistical analysis. Organisations can make use of derived importance instead of stated importance to gain insights into the most impactful attributes. This will support the efficient allocation of finite resources to improve service design and processes.

## ADDITIONAL FINDINGS FROM THE FIRST THREE QUARTERS

### FOCUS ON COMPLAINT HANDLING, NOT COMPLAINT RATES

Customers in the Info-communications and Retails sectors saw a significant increase in complaint rates. This should be viewed as a positive change in consumer behaviour as it allows companies opportunities to close the feedback loop, save otherwise disgruntled customers from defecting to a competitor, and review processes that are not delivering as planned. Furthermore, data indicates that well-handled complaints results in significantly more satisfied customers.

### BOTH PERCEIVED AND EXPECTED QUALITY ARE IMPORTANT DRIVERS OF SATISFACTION

Analysis of the public transport sub-sectors suggest that operators may improve satisfaction most effectively by improving commuters' experiences (or perceived quality) and their expectations in tandem. The data also shows that reducing customer expectations to give a perception of over-delivering on service quality is not an effective method to improve satisfaction; lowered expectations prime commuters to service lapses and reinforces their negative perceptions. In the long run, this would hurt the organisation's branding and positioning

### EXPECTATIONS CAN SIGNIFICANTLY AFFECT SATISFACTION

Within the Universities sub-sector, the fall in student expectations had a negative effect on Satisfaction and Loyalty. These evolving levels of expectations also affect perceptions of quality and value. Organisations will do well to continuously track and measure what matters most to their customers. This requires a constant process of engagement and gathering of feedback.

### TOURISTS LESS SATISFIED IN 2012

Tourists perceptions of quality in Singapore's Attractions, Hotels, and Tour Operators sub-sectors fell significantly year-on-year, affecting satisfaction adversely. Analysis showed tourists had higher expectations this year compared to the previous year, suggesting that the affected Tourism sub-sectors should look towards improving their quality performance to arrest this decline.

### SATISFACTION - LOYALTY LINK

Overall, an increased importance of the satisfaction-loyalty link was observed in the F&B and Tourism sectors compared to previous years. There is widespread literature that suggests customer loyalty, repurchase intentions, and price tolerance levels are linked to long-term business profitability. Therefore, it will be prudent for companies to track and measure these key customer intelligence metrics with renewed intent.

## CSISG BACKGROUND

CSISG scores are generated based on the econometric modelling of survey data collected from end-users after the consumption of products and services. Sub-sector scores are derived as a weighted average of company scores, in proportion to the revenue contributions of companies. Sector scores are derived in a similar fashion, aggregating the sub-sector scores proportionately to each sub-sector's revenue contributions. Finally, the national score is weighted according to each sector's contribution to GDP. CSISG scores customer satisfaction on a scale of 0 to 100 with higher scores representing better performance.

Under a quarterly measure-and-release system, up to three sectors are measured each quarter with their results released the following quarter. Companies in the Retail and Info-Communications sectors were measured in the first quarter, Transport & Logistics, Public, and Private Education in the second quarter, Food & Beverage and Tourism sectors in the third quarter, and finally the companies of Finance & Insurance and Healthcare sectors, in the fourth quarter, marking the end of measurement for 2012. The national score for 2012 is computed using the data collected over four quarters of the year.

For the fourth quarter of 2012, results for the Finance & Insurance and Healthcare sectors were collected and analysed. The former includes the Banks sub-sector, Health & Medical Insurance sub-sector, Motor or Other Insurance sub-sector, and Life Insurance sub-sector. The latter consists of the Private Hospitals sub-sector, Restructured Hospitals sub-sector, Polyclinics sub-sector, General Practitioners sub-sector, and Specialised Healthcare sub-sector.

Fieldwork data over the four quarters of 2012 are tabulated in Figure G.

	Sectors Covered	Fieldwork Period	Household Face-to-Face Interviews	Departing Tourist Interviews	Online Surveys	Total Completed Questionnaires	Total Companies Covered	Total Companies Measured
2012 Q1	Info-communications Retail	Jan - Mar	5,561	1,302	-	8,184	614	22
2012 Q2	Public Education Private Education Transportation & Logistics	Apr - Jun	6,539	1,986	1,572	11,807	273	31
2012 Q3	Food & Beverage Tourism	Jul - Sep	4,065	2,492	-	8,968	770	24
2012 Q4	Finance & Insurance Healthcare	Oct - Dec	6,149	300	-	10,294	722	33
<b>2012 Full Year</b>	<b>All 9 Measured Sectors</b>	<b>Jan - Dec</b>	<b>22,314</b>	<b>6,080</b>	<b>1,572</b>	<b>39,253</b>	<b>2,379</b>	<b>110</b>

Figure G: The CSISG fieldwork numbers across the four quarters of 2012.

## CONTACT US

Please contact us for more details of our ISES Corporate Membership, CSISG Subscription and Custom Research.




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The chart on the next page summarises the results of the CSISG 2012 satisfaction scores at the national, sector, sub-sector and company levels. The national score of 69.9 represents a weighted average of the 9 sector scores (in gold), which themselves are weighted averages of their respective sub-sector scores (in blue). Satisfaction scores for sub-sectors with individual company scores are weighted averages of these individual company scores. The sparklines indicate the satisfaction score of their respective sectors, sub-sectors and companies over the past few years.

-  statistically significant increase in customer satisfaction from 2011 to 2012
-  statistically significant decrease in customer satisfaction from 2011 to 2012
-  statistically insignificant year-on-year change in customer satisfaction from 2011 to 2012

All scores displayed are accurate to one-decimal place. Entities are presented in decreasing levels of satisfaction.

\* Companies indicated with an asterisk(\*) are companies that have performed significantly above their sub-sector average.

\* Sub-sectors indicated with an asterisk (\*) are sub-sectors that have performed significantly above their sector average.





## 2012 NATIONAL SCORE

69.9

### 71.7 Finance & Insurance

- 71.8 Banks
- 74.5 Citibank\*
- 74.0 HSBC\*
- 73.5 Standard Chartered\*
- 71.2 UOB
- 70.8 Maybank
- 69.1 DBS
- 69.0 OCBC
- 72.1 Other banks
  
- 70.6 Life Insurance
- 72.8 Great Eastern\*
- 70.7 American International Assurance
- 70.1 Prudential
- 70.0 NTUC Income
- 69.0 Manulife
- 69.1 Other life insurance
  
- 69.8 Motor or Other Personal Insurance
- 71.4 Chartis
- 70.0 NTUC Income
- 69.7 AXA
- 69.1 Other personal insurance
  
- 67.8 Health & Medical Insurance
- 70.3 Great Eastern\*
- 70.2 NTUC Income\*
- 69.5 Prudential
- 66.5 Other health & medical insurance

### 71.3 Healthcare

- 72.7 Private Hospitals\*
- 74.3 Parkway East

- 73.7 Raffles
- 72.8 Thomson Medical Centre
- 72.5 Gleneagles
- 72.4 Mount Elizabeth
- 71.1 Mount Alvernia
  
- 72.0 Specialised Healthcare
- 70.5 Restructured Hospitals
- 74.2 Alexandra\*
- 72.9 Khoo Teck Puat\*
- 72.7 Tan Tock Seng\*
- 70.7 Changi General
- 70.6 KK Women & Children's
- 69.4 National University
- 69.1 Singapore General
  
- 70.1 General Practitioners
- 66.6 Polyclinics
- 68.8 SingHealth
- 65.7 NHG

### 70.0 Tourism

- 72.6 Attractions\*
- 74.9 Universal Studios\*
- 73.1 Sentosa
- 71.7 Night Safari
- 70.8 Singapore Zoo
- 70.1 Jurong Bird Park
- 71.5 Other Attractions

### 70.1 Hotels

- 75.5 Marina Bay Sands\*
- 75.4 The Ritz Carlton\*

- 73.7 Shangri-La Hotel\*
- 73.1 Mandarin Orchard\*
- 72.8 Swisstotel the Stamford\*
- 72.8 Grand Hyatt\*
- 68.5 Other Hotels

- 68.5 Tour Operators, Travel & Ticketing Agencies

### 69.1 Retail

- 70.9 Jewellery
- 70.3 Departmental Stores
- 74.1 DFS\*
- 71.9 C K Tang\*
- 71.9 Takashimaya
- 69.7 Robinson & Co
- 69.3 OG
- 68.6 Metro
- 68.5 Isetan
- 67.3 Mustafa
- 67.0 Other departmental stores
  
- 70.2 Clocks & Watches
- 70.0 Fashion Apparels
  
- 69.0 Motor Vehicles
- 68.7 Petrol Service Stations
- 69.9 SPC
- 69.4 Shell
- 68.5 Esso
- 66.7 Caltex

- 67.9 Supermarkets
- 68.5 NTUC Fairprice
- 67.9 Cold Storage
- 67.0 Sheng Siong
- 65.5 Other supermarkets

- 67.8 Furniture
- 67.3 IKEA
- 68.1 Other furniture stores

### 69.0 Private Education

- 69.0 Commercial Schools

### 68.3 Transport & Logistics

- 74.6 Airlines
- 77.8 Singapore Airlines\*
- 76.5 Emirates
- 73.2 Cathay Pacific Airways
- 72.9 Qantas Airlines
- 68.9 SilkAir
- 68.2 Others Airlines

- 72.8 Airport
- 72.8 Changi Airport

- 72.4 Postal Services
- 72.4 Singapore Post

- 69.2 Courier Services
- 72.3 DHL\*
- 72.1 FedEx\*
- 70.3 UPS
- 68.7 Speedpost
- 66.6 Other Courier Services

- 64.3 Taxi Services
- 64.6 Transcab
- 64.4 ComfortDelGro Taxis
- 63.6 SMRT Taxis
- 62.7 Premier
- 63.8 Other Taxi Operators

- 62.7 Budget Airlines
- 63.2 Tiger Airways
- 62.2 Jetstar Asia
- 61.9 AirAsia
- 63.9 Other Budget Airlines

- 61.9 Mass Rapid Transit System
- 61.5 SMRT Trains
- 63.2 SBS Transit Trains

- 61.6 Public Buses
- 63.9 SMRT Buses\*
- 60.8 SBS Transit Buses

### 67.7 Food & Beverage

- 69.4 Bars & Pubs\*

- 68.2 Fast Food Restaurants
- 68.9 McDonalds

- 68.2 KFC
- 67.5 Burger King
- 66.1 Other Fast Food Restaurants

- 68.2 Restaurants
- 71.6 Tung Lok\*
- 68.1 RE&S
- 67.9 Sakae Holdings
- 67.3 Crystal Jade
- 68.0 Other Restaurants

- 67.2 Cafes and Snack Bars
- 68.8 Starbucks
- 67.3 The Coffee Bean & Tea Leaf
- 67.3 Delifrance
- 67.0 Other Cafes and Snack Bars

- 64.8 Food Courts
- 63.6 Kopitiam
- 62.2 Koufu
- 60.0 Food Republic
- 65.0 Other Food Courts

### 67.5 Public Education

- 69.6 Polytechnics
- 73.2 Temasek\*
- 72.8 Ngee Ann\*
- 69.0 Singapore
- 67.5 Republic
- 65.1 Nanyang

- 69.6 ITE

- 66.7 Universities
- 68.6 SMU
- 67.1 NTU
- 66.1 NUS

### 65.9 Info-Communications

- 66.3 Mobile Telecom
- 68.0 M1
- 66.6 StarHub
- 65.6 SingTel

- 64.2 Internet Service Providers
- 64.4 StarHub Broadband
- 64.0 SingNet
- 63.9 M1 Broadband

